

The Audit & Appeals Process

Location of Records

Your records should be maintained at an Indiana location. If these records are not maintained in Indiana or are not made available in Indiana, the auditor's travel expenses will be billed to you upon completion of the audit.

The purpose of an IFTA audit is the verification of fuel and mileage data reported on the IFTA quarterly tax reports. The Department will audit IFTA licensees on behalf of all member jurisdictions.

Audit Selection

The Department will audit 15% of its IFTA licensees at least once every five years. Any Indiana IFTA licensee may be selected for audit; however, 15% of audits will be selected from the smallest licensees and 25% will be selected from the largest licensees.

Unless problems are discovered on the quarterly returns, audits are selected randomly.

Notification of Audit Date

Prior to conducting an IFTA audit, an auditor will contact you by telephone to arrange an acceptable date to begin the audit. At that time, the auditor will outline the time period to be audited and the records to be reviewed. To confirm the audit date, the auditor will send a follow up letter detailing the audit date, time periods to be audited, and record requirements. When operational records are not located or are not made available in Indiana, the auditor's travel expenses will be billed to you upon completion of the audit.

The Audit Conferences

At the beginning of the audit, the auditor will confer with you to determine background information, reporting methods, and records to be reviewed. As the audit progresses, the auditor will discuss with you the sample periods, sampling techniques, and any problem areas. A final conference will be held with you to explain the audit adjustment and future reporting practices.

The Audit Results

An audit report will be sent to you after the written copy of the audit is processed through the Department's audit review and billing processes. You will have 30 days to send a payment or to file a protest on an audit assessment. If a refund is due, it will be issued after any outstanding tax liabilities have been offset or satisfied. The Department will submit audit reports to all member jurisdictions. You may be subject to a re-examination of the audit findings by any member jurisdiction. A member jurisdiction may re-audit a licensee, at its own expense, after notifying the base jurisdiction and the licensee of reasonable cause for the re-audit.

30 Day Protest Period

You may appeal an audit finding issued by any member jurisdiction by sending a written request for a hearing within 30 days of receipt of the original notice of tax due. If the hearing is not requested within 30 days, you have forfeited your protest period and the audit finding is final.